

ORDINANCE NO. 5855
AN ORDINANCE OF THE CITY OF GLENDALE, CALIFORNIA
ADDING SECTION 13.44.250 TO THE GLENDALE MUNICIPAL CODE, 1995,
REGARDING AGGREGATE NET ENERGY METERING

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE:

SECTION 1. Section 13.44.250 of the Glendale Municipal Code, 1995, is hereby added to read as follows:

13.44.250 Aggregate Net Energy Metering

(A) Notwithstanding any requirement that accounts be separately metered or individually metered, as provided in sections 13.44.020(A), 13.44.030(A), 13.44.040(A) and 13.44.220(A) of this code, customers receiving service under one or more Glendale water and power customer-owned generation rate schedules and qualifying as an eligible customer-generator under California Public Utilities Code section 2827 may aggregate the electrical load of two or more meters located on the property where the customer's distributed generation system is located and on all property adjacent or contiguous to the property on which the distributed generation system is located, if the following conditions are met:

- (i) The properties subject to the aggregate net metering arrangement are solely owned, leased or rented by the eligible customer-generator. For purposes of this section, properties that are divided by a street, highway or public thoroughfare are considered contiguous, provided the properties are otherwise contiguous and under the same ownership; and
- (ii) The customer's distributed generation system has a total generating capacity of not more than one megawatt.

(B) The terms and conditions of such service shall be established by resolution of the city council and in accordance with section 2827 of the California Public Utilities Code, as may

be amended from time to time, or pursuant to such other state law requirements as are applicable to the department.

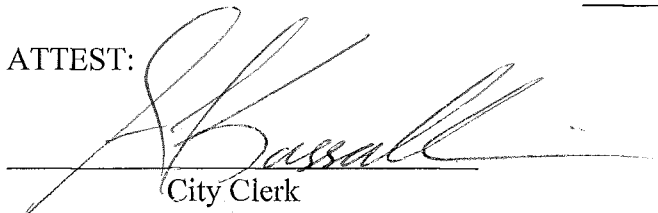
SECTION 2. Severability.

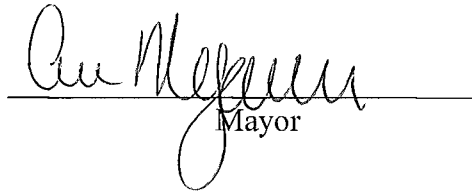
This Ordinance's provisions are severable. If any portion of this Ordinance or its application to any person or circumstance is held invalid or unconstitutional, that decision does not affect the validity of the Ordinance's remaining portions and the Ordinance's application to other persons and circumstances. The City Council declares that it would have passed the remainder of this Ordinance without the invalid or unconstitutional provision.


SECTION 3. This Ordinance becomes effective on the thirtieth day after its passage.

Adopted by the Council of the City of Glendale on the 5th day of May, 2015.

ATTEST:


City Clerk


Mayor

APPROVED AS TO FORM

Principal Assistant City Attorney
Date April 17, 2015

STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

I, Ardashes Kassakhian, City Clerk of the City of Glendale, hereby certify that the foregoing Ordinance was adopted by the Council of the City of Glendale, California, at a regular meeting held on the 5th day of May , 2015, and that the same was adopted by the following vote:

Ayes: Devine, Friedman, Gharpetian, Sinanyan, Najarian

Noes: None

Absent: None

Abstain: None



City Clerk

F:/filenetcopy/NEM/042815 NEM Ord.docx

RESOLUTION NO. 15-74

RESOLUTION OF THE CITY OF GLENDALE AMENDING AND SUPERCEDING CITY OF GLENDALE RESOLUTION NO. 13-233 PERTAINING TO NET SURPLUS ELECTRICITY COMPENSATION PAYABLE TO NET SURPLUS CUSTOMER GENERATORS PARTICIPATING IN GLENDALE WATER & POWER'S NET ENERGY METERING PROGRAM IN ORDER TO AUTHORIZE AGGREGATE NET ENERGY METERING

WHEREAS, the City of Glendale, through the Glendale Water & Power Division ("GWP"), operates a municipal utility for the distribution of electrical energy to the citizens of the City of Glendale; and

WHEREAS, consistent with the requirements of California Public Utilities Code section 2827, GWP offers a net energy metering program to eligible customer-generators as defined by California Public Utilities Code Section 2827(b)(4); and

WHEREAS, on December 17, 2013, the City of Glendale adopted Resolution No. 13-233 entitled "Resolution of the City of Glendale Setting Forth Rates for Net Surplus Electricity Compensation Payable to Net Surplus Customer Generators Participating in Glendale Water & Power's Net Energy Metering Program." specifying the compensation to be paid to Net Energy Metering customers that generate more energy than they use onsite, consistent with the requirements of California law; and

WHEREAS, on December 16, 2014, in accordance with the requirements of Section 2827(h)(4) of the California Public Utilities Code, the City Council authorized an aggregate Net Energy Metering Program for eligible customers that wish to aggregate, for Net Energy Metering purposes, the load from multiple meters on adjacent or contiguous property under sole ownership; and

WHEREAS, it is necessary and desirable to amend Resolution No. 13-233 and the Net Energy Metering requirements set forth therein to include provisions applicable to Aggregate Net Energy Metering Customers, and to clarify certain provisions of the Rate Schedule that apply to all Net Energy Metering Customers.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE:

Section 1. Notice of the public meeting at which this Resolution was considered was properly given, and all oral and written presentations made to and heard by the City Council were properly considered.

Section 2. The Council hereby adopts the Net Energy Metering Rate Schedule as set forth in Exhibit A, attached hereto and incorporated herein by reference. This Resolution, including Exhibit A hereto, amends and supersedes Resolution No. 13-233.

Section 3. The Net Energy Metering Rate Schedule that is hereby adopted provides just and reasonable compensation for the value of net surplus renewable electricity purchased

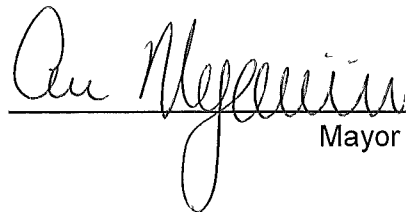
by the City of Glendale from those Net Generators participating in the City of Glendale's Net Energy Metering Program that elect to receive compensation for their annual net generation supplied to the City of Glendale, and such rates will leave other ratepayers unaffected.

Section 4. The Net Energy Metering Rate Schedule attached hereto as Exhibit A shall apply to the net surplus energy generation of Net Generators during calendar year 2015 and in subsequent calendar years.

Section 5. Compliance with California Environmental Quality Act. The City Council finds and determines that this Resolution is not subject to the California Environmental Quality Act ("CEQA") and, therefore, an environmental review is not required pursuant to Section 21080(b)(8) of the California Public Resources Code and Sections 15273(a) and 15061(b)(3) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3.

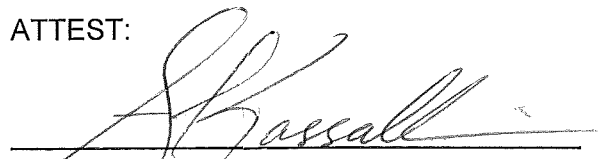
Section 6. Severability. If any Section, subsection, clause, phrase, sentence or word of this Resolution or the application thereof to any person or circumstance is for any reason held invalid, the validity of the remainder of the Resolution or the application of such provision to other persons or circumstances shall not be affected thereby and shall not affect any other Section, subsection, clause, phrase, sentence or word of the Ordinance that can be given effect without the invalid Section, subsection, clause, phrase, sentence or word of this Resolution. The City Council hereby declares that it would have passed this Resolution and each Section, subsection, clause, phrase, sentence and word hereof, irrespective of the fact that one or more Sections, subsections, clauses, phrases, sentences or words or the application hereof to any person or circumstance is held invalid.

Adopted by the Council of the City of Glendale on the 5th day of May, 2015.




Mayor

ATTEST:



City Clerk


APPROVED AS TO FORM


Principal Assistant City Attorney
Date April 17, 2015

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF GLENDALE)

I, ARDASHES KASSAKHIAN, City Clerk of the City of Glendale, certify that Resolution No. 15-74 was passed by the Council of the City of Glendale, California, at a regular meeting held on the 5th day of May, 2015, and that same was passed by the following vote:

Ayes: Devine, Friedman, Gharpetian, Sinanyan, Najarian
Noes: None
Absent: None
Abstain: None



City Clerk

EXHIBIT A

NET ENERGY METERING RATE SCHEDULE

I. **Applicability.**

This rate applies to those Eligible Customer-Generators (as defined in Section 2827 of the California Public Utilities Code, as may be amended from time to time) that are participants in the City of Glendale Water & Power ("GWP") Net Energy Metering Program ("NEM Program") and have executed the applicable Standard Contract.

II. **Territory.**

Within the service area of GWP.

III. **Rates:**

As set forth in the Chapter 13 of the Glendale Municipal Code, all rates charged under this schedule will be in accordance with the Eligible Customer-Generator's otherwise applicable rate schedule in effect from time to time, on a net energy metering basis. An Eligible Customer-Generator is responsible for all charges applicable to its otherwise applicable rate schedule as set forth in the Glendale Municipal Code, 1995, including but not limited to the energy cost adjustment charge, the regulatory adjustment charge, the revenue decoupling charge, public benefit charges and utility user taxes.

IV. **Annualized Payment/ Settlement Method**

a) Eligible Net Energy Metering Customers Receiving Residential Electric Service (L-1), Small Commercial Electric Service (L-2) and Small Commercial Demand Service (LD-2) Customers Under a Customer-Owned Generation Rate Schedule

- 1) The annual Net Energy Metering calculation shall be made by measuring the difference between the energy supplied to the Customer and the energy generated by the Customer and fed back to GWP's grid over a Twelve-Month Period. At the end of each Twelve-Month Period, GWP shall determine if the Customer was a net consumer or a net generator of energy during the Twelve-Month Period. In the event that the energy supplied by GWP during the Twelve-Month Period exceeds the energy generated by the Customer during that same period, the Customer is a net energy consumer.
- 2) If a Customer is a net energy consumer, GWP will bill the Customer for the net energy consumed during the Twelve-Month Period based on the Customer's rate schedule and Customer shall pay for such net energy consumed, and other applicable charges in accordance with the

Customer regular billing statement and the Glendale Municipal Code, 1995.

**b) Eligible Net Energy Metering Customers Receiving Commercial Service
(PC-1) Customers Under a Customer-Owned Generation Rate Schedule**

- 1) The annualized Net Energy Metering calculation shall be made by measuring the difference between the energy supplied to the Customer and the energy generated by the Customer and fed back to GWP's grid over a Twelve-Month Period. Additionally, at the end of each billing period, GWP shall determine if the Customer was a net consumer or a net generator of energy. In the event the energy supplied by GWP to the Customer during the preceding billing period exceeds the energy generated by the Customer during the same billing period, the Customer is a net energy consumer.
- 2) If the Customer is a net energy consumer, the utility will bill the Customer for the net energy consumed during such billing period as prescribed in the Customer's rate schedule for the net kilowatt hours supplied by GWP, and other applicable charges in accordance with the Customer's regular billing statement and the Glendale Municipal Code, 1995.

c) All Eligible Customer-Generators

- 1) GWP shall provide all eligible Customers with Net Energy Metering consumption and generation information on a monthly basis. Such monthly update shall include the current accrued balance owed to GWP for Net Energy Metering charges, or current accrued credits for Net Energy Metering generation, whichever applies.
- 2) If the energy generated exceeds the energy consumed by the Customer, the Customer is a net energy generator. If the Customer is a net generator of energy over a normal billing period within a year, any excess kilowatt-hours generated during the billing period shall be carried forward to the following billing period until the end of the Customer's Twelve-Month Period. Kilowatt hour credits for net energy generation during any billing period shall be calculated in accordance with Section 2827 of the California Public Utilities Code, as may be amended from time to time.
- 3) At the end of each Twelve-Month Period, GWP shall retain any Net Surplus Energy generated by the Net Surplus Customer Generator, including any associated environmental attributes or renewable energy credits (RECs), provided, however, that where the Customer, upon enrollment for the GWP NEM Program, elected to retain the green energy rights and RECs associated with the customer's renewable energy

generation in lieu of receiving payment for assigning the green energy rights to GWP, the Customer shall retain the environmental attributes and RECs associated with the customer's Net Surplus Energy. Except as otherwise provided in Subsection 7 herein or as required by law, no payment will be made to any Customer for the excess energy delivered to GWP's grid unless the Customer affirmatively elects to receive Net Surplus Energy Compensation for that excess energy by electing compensation as set forth in Subsection 4 herein. In accordance with State law, no payment will be made for any excess energy for any Aggregate Net Energy Metering Customer participating in the NEM Program. Sections 4, 5 and 6 of Section IV(c) of this Rate Schedule shall not apply to Aggregate Net Energy Metering Customers.

- 4) Customer may, upon GWP's timely receipt of the customer's written affirmative election, be eligible to receive at the end of a Twelve-Month Period either (i) Net Surplus Energy Compensation for Net Surplus Energy or (ii) to roll over the Net Surplus Energy as a kWh credit into the next Twelve-Month Period. The Customer's Net Surplus Energy Compensation shall be calculated over a Twelve-Month Period beginning with the Customer's regularly scheduled meter read date in January or February following receipt of a timely filed affirmative election and concluding as of the Customer's regularly scheduled meter read date at the end of the calendar year. A written affirmative election may be delivered in person or transmitted via U.S. Mail to GWP at:

Glendale Water & Power
Attn: Solar Solutions Program
141 N. Glendale Avenue, Level 2
Glendale, CA 91206

A written affirmative election will be deemed "timely" if it is received within thirty (30) days of the date of GWP's notice to the Customer regarding the customer's right to make an election regarding Net Surplus Energy Compensation. The thirty day deadline for receipt of the affirmative election will be calculated as follows:

Method of Transmission:

In person delivery
U.S. Mail

Deadline:

Date of receipt
Date postmarked

An affirmative election to receive Net Surplus Energy Compensation is effective for one Twelve-Month Period only. A new written election must be timely provided to GWP for each Twelve-Month Period in order to

receive Net Surplus Energy Compensation for such Twelve-Month Period.

- 5) **Rate.** Where the Customer has timely made an affirmative election to be compensated for such Net Surplus Energy, the electricity provided from the Customer to GWP shall be priced in accordance with the fourth quarter Feed-in-Tariff rate determined in accordance with the rate formula set forth in Section 13.44.240 of the Glendale Municipal Code, 1995, as may be amended from time to time; provided, however, that (i) payment to the Net Surplus Generator shall not include the Renewable Energy Credit component of the Feed-in-Tariff rate; and (ii) payment shall be made on a \$/kWh basis instead of on a \$/MWh basis.
- 6) **Effect of Customer's Failure to Affirmatively Elect to Receive Compensation or Credit:** At the end of each Twelve-Month Period, unless the Customer has timely made an affirmative election to receive Net Surplus Compensation or a kWh credit for the Net Surplus Energy, except as required by law, any monetary value and kWh credit for Net Surplus Energy shall be reset to zero for the subsequent Twelve-Month Period. In addition, except as required by law, no payment will be made to any Customer for the Net Surplus Energy delivered to GWP's grid, unless the customer timely makes an affirmative election to receive Net Surplus Energy Compensation for the Net Surplus Energy, as provided in subsection 4.

V. Metering

The Net Energy Metering account must be metered using Required Meter(s) in accordance with GWP's requirements. The Customer is responsible for all costs for the provisioning and installation of the Required Meter(s).

VI. Definitions

"Aggregate Net Energy Metering Customer" means an Eligible Customer Generator meeting the requirements of Section 2827(h)(4) of the California Public Utilities Code that has elected to aggregate, for purposes of Net Energy Metering, the load from multiple meters on adjacent or contiguous property that is solely owned, leased or rented by the Eligible Customer-Generator.

"Eligible Customer-Generator" or "Customer" means a customer participating in the GWP NEM Program and meeting the definition of "Eligible customer-generator" as set forth under Section 2827(a)(4) of the California Public Utilities Code.

"Eligible Renewable Electrical Generation Facility" means a facility that generates electricity from a renewable source listed in paragraph (1) of subdivision (a) of Section 25741 of the California Public Resources Code, as may be amended from time to time.

"Net Energy Metering" means measuring the difference between the energy supplied through the electric grid to the customer and the energy generated by an Eligible Customer-Generator and fed back to the electric grid over a Twelve-Month Period, as described in California Public Utilities Code Section 2827, as may be amended from time to time.

"Net Surplus Customer Generator" means an Eligible Customer-Generator that generates more energy in a Twelve-Month Period than is supplied by GWP to the Eligible Customer-Generator during the same Twelve-Month Period.

"Net Surplus Energy" means all energy generated by an Eligible Customer-Generator measured in kilowatt-hours over a Twelve-Month Period that exceeds the amount of energy consumed by that Eligible Customer-Generator.

"Net Surplus Energy Compensation" mean monetary compensation, at a per kilowatt-hour rate, offered by GWP to the Net Surplus Customer Generator for Net Surplus Energy, in accordance with this Schedule.

"Required Meter" means a single revenue-grade interval meter capable of registering the flow of energy in two directions; provided, however, that in the case of an Aggregate Net Energy Metering Customer, more than one Required Meter may be required as specified by GWP.

"Standard Contract" means that standard contract entitled "Glendale Water & Power Standard Form Interconnection Agreement for Net Energy Metering from Eligible Renewable Electric Generating Facilities" and available to Eligible Customer Generators and offered in accordance with California Public Utilities Code Section 2827.

"Twelve Month Period" means the Twelve-Month Period commencing with the customer's regularly scheduled meter read date in January or February and concluding as of the Customer's regularly scheduled meter read date at the end of the calendar year. The customer's first such period will commence as of the date of interconnection and conclude as of the regularly scheduled meter read date the following November or December, and may be less than twelve months.

VII. Program Cap:

The NEM Program shall remain open to eligible customers on a first-come, first-served basis and in accordance with the requirements of Section 2827 of the California Public Utilities Code. The City of Glendale reserves the right to close the program to new customers when the total contract generating capacity for qualifying Customers meets the required total rated generating capacity percentage of GWP's aggregate peak customer demand, as required by the California Public Utilities Code section 2827(c)(1), as may be amended from time to time.

MOTION

Moved by Council Member _____ Friedman _____, seconded by Council Member _____ Devine _____, that the City Council hereby approves the Glendale Water & Power Standard Form Interconnection Agreement for Net Energy Metering from Eligible Renewable Electric Generating Facilities, attached hereto as Exhibit A.

Vote as follows:

Ayes: Devine, Friedman, Gharpetian, Sinanyan, Najarian
Noes: None
Absent: None
Abstain: None

THE MOTION WAS ADOPTED AT THE REGULAR CITY COUNCIL MEETING OF: Tuesday, May 5, 2015.

APPROVED AS TO FORM


Principal Assistant City Attorney

Date April 15 2015

EXHIBIT A

Glendale Water & Power
Standard Form Interconnection Agreement for
Net Energy Metering from Eligible Renewable Electric Generating Facilities

**GLENDALE WATER & POWER
STANDARD FORM INTERCONNECTION AGREEMENT
FOR
NET ENERGY METERING
FROM
ELIGIBLE RENEWABLE ELECTRIC GENERATING FACILITIES**

_____(“Customer-Generator”), and the City of Glendale, through its utility department, Glendale Water & Power (“GWP”) referred to collectively as “Parties” and individually as “Party”, agree as follows:

1. SOLAR-ELECTRIC GENERATING FACILITY:

1.1 PVID Number: _____
(Glendale Water & Power Use Only)

1.2 PV Array Rating: _____(EPBB CEC-AC Rating (kW))

1.3 Generating Facility Address

(Aggregate Net Energy Metering Customers: attach additional addresses as Appendix C.)

1.4 Facility will be ready for operation on or about _____(date)

1.5 Location of Glendale Water & Power Substation and Circuit (For GWP Use Only):

1.6 Operating Option; Eligibility for Net Energy Metering Program

Customer-Generator has elected to operate its eligible renewable electric generating facility (“Generating Facility”) in parallel with GWP’s facilities and hereby certifies that Customer-Generator is eligible to participate in the Net Energy Metering Program under Section 2827 of the Public utilities Code, as may be amended from time to time (“State Law”). The Generating Facility is intended primarily to offset part or all of the Customer-Generator’s own electrical requirements.

1.7 Aggregate Net Energy Metering Customers

- ☐ By initialing or checking this box, Customer-Generator hereby elects to participate in the Aggregate Net Energy Metering program and certifies that it is eligible to participate in the Aggregate Net Energy Metering program under State Law. Customer-Generator certifies that it is the sole owner, lessor, or renter of (i) the property where the Generating Facility is located and (ii) (where applicable) the contiguous property from which the electrical load is being aggregated for Aggregate Net Energy Metering purposes. Customer-Generator acknowledges that, under State Law, if Customer-Generator chooses to aggregate load from multiple meters, Customer-Generator shall be permanently ineligible to receive net surplus electricity compensation, and GWP shall retain any kilowatt hours in excess of Customer-Generator’s aggregated electrical load generated during the 12-month period.

2. PAYMENT FOR NET ENERGY

- 2.1 Payment and credits under the Net Energy Metering program will be made in accordance with the State Law and the City of Glendale's resolution setting forth rates for Net Energy Metering compensation, as may be amended from time to time (the "Resolution"). The Resolution is available on the Glendale Water & Power website (www.glendalewaterandpower.com) and incorporated herein by this reference. If the State Law or the Resolution is subsequently amended by the City Council, the terms of the State Law and the amended Resolution will apply upon the effective date of change in the State Law or as specified in the amended Resolution (as applicable), without amendment of this Agreement by the Parties. In case of any conflict between this Agreement and the Resolution the Resolution (as may be amended) shall control. Capitalized terms not defined herein shall be defined as set forth in the Resolution.
- 2.2 For all Customer-Owned-Generation rates, GWP will determine for each billing period the energy generated and the energy used. In any billing period where the energy used exceeds the energy generated on the Customer-Generator's premise, the Customer-Generator will be billed for the net energy used.
- 2.3 Customer-Generators that are either a residential or small commercial customer as defined by State Law may elect to be billed for energy consumed on either (i) an annual basis or (ii) in accordance with GWP's regular billing cycle. If a residential or small commercial Customer-Generator elects to be billed on an annual basis, the Customer-Generator must notify GWP in writing, no more frequently than on an annual basis, at the address set forth in Section 2.5 of this Agreement. A written election to be billed annually must be received by GWP no later than December 31 of each year and will apply to the Twelve Month Period following GWP receipt of such notice. If a residential or small commercial Customer-Generator does not notify GWP of an election to be billed annually, the Customer-Generator will be billed in accordance with GWP's regular billing cycle.
- 2.4 In the event energy generated by the Generating Facility exceeds the energy used on the Customer-Generator's premise during any billing period and within the applicable Twelve Month Period, the amount of the net excess energy will be carried forward as a monetary value to the Customer-Generator's next billing period until the end of the Twelve Month Period. The Customer-Generator's first such period will commence as of the date of interconnection and conclude as of the regularly-scheduled meter read date at the end of the calendar year, and may be less than twelve months.
- 2.5 For Customer-Generators that are not Aggregate Net Energy Metering Customers only:
- A. At the end of each Twelve Month Period, where the electricity generated by the eligible Customer-Generator during the Twelve Month Period exceeds the electricity supplied by GWP during that same period, the eligible Customer-Generator is a net electricity producer. At the end of each Twelve Month Period, each Customer-Generator that is a net electricity producer may affirmatively elect to receive either (i) Net Surplus Energy Compensation (as defined in the Resolution, and in accordance with the rates and terms set forth therein, as may be amended from time to time); or (ii) to roll over the Net Surplus Energy as a kWh credit into the next Twelve Month period (in accordance with the Resolution and the terms set forth therein, as may be amended from time to time).
- Notification should be made by letter as follows:
 - Addressed and mailed or hand delivered to GWP Customer Service at:
Attention: Customer Service
Solar Solutions Program
141 N. Glendale Avenue, Level 2
Glendale, CA 91206

- Indicate the Account number, Meter number, and Interconnection Agreement number
- Include customer of record's name and signature

B. Except as required by law, no payment will be made to any Customer-Generator for the excess energy delivered to GWP's grid, and the Net Surplus Energy will not be applied as a credit against billings in the next Twelve Month Period, unless the Customer-Generator affirmatively and timely elects to receive Net Surplus Energy Compensation or a credit for that excess energy in accordance with the Resolution. An affirmative election under this Section 2.5 is effective for one Twelve Month Period only. A new written election must be timely received by GWP for each Twelve Month Period in order to receive Net Surplus Compensation or a credit for Net Surplus Energy generated such Twelve Month Period.

2.6 Aggregate Net Energy Metering Customers: In accordance with State Law, Customer-Generators that are Aggregate Net Energy Metering Customers are permanently ineligible to receive net surplus electricity compensation, and GWP shall retain any kilowatt hours in excess of the Aggregate Net Energy Metering Customer's aggregated electrical load generated during the Twelve Month Period.

2.7 Customer-Generator shall pay any amount owing for electric service provided by GWP in accordance with applicable rate schedules. Nothing in this Section shall limit GWP's rights under applicable rate schedules.

3. GREEN POWER RIGHTS

3.1 In consideration for the rights granted hereunder, including the rights to receive Net Surplus Energy Compensation or credit for Net Surplus Energy generated by Customer-Generator's generation facility, and in the case of Customer-Generators that are Aggregate Net Energy Metering Customers, the right to aggregate and credit during the Twelve Month Period the electrical load of multiple meters, Customer-Generator grants to GWP the Net Surplus Energy generated, including any associated environmental attributes or renewable energy credits (RECs) associated therewith ("green power rights"). Customer-Generator agrees to execute and provide such documentation and information to GWP as may be required in order for GWP to report and claim such green power rights under law. Customer Generator gives up any right to sell the green label associated with the power generated by the solar generating facility to any third party, and grants GWP the sole right to claim the green power label for renewable portfolio standard and other reporting purposes, including all federal, state, and local regulatory bodies; provided, however, that the foregoing shall not apply if Customer-Generators has elected in writing to keep the RECs associated with their Generation Facility as part of GWP's Solar Solutions incentive program. Customer-Generator may claim the green power generated by the Customer-Generator's generating facility and that is consumed on the Customer-Generator's premises for promotional, LEED, and green building certification purposes.

4. INTERRUPTION OR REDUCTION OF DELIVERIES

- 4.1 GWP shall not be obligated to accept or pay for, and may require Customer-Generator to interrupt or reduce, deliveries of as-available energy:
- 4.1.1 When necessary in order to construct, install, maintain, repair, replace, remove, investigate, or inspect any of its equipment or any part of its system; or
 - 4.1.2 If GWP determines that curtailment, interruption, or reduction is necessary because of emergencies, forced outages, force majeure, or compliance with prudent electrical practices; or
 - 4.1.3 When the continued operation of the Generating Facility may endanger the integrity of GWP's electric system.

- 4.2 Whenever possible, GWP shall give Customer-Generator reasonable notice of the possibility that interruption or reduction of deliveries may be required.
- 4.3 Notwithstanding any other provisions of this Agreement, if at any time GWP determines that either:
- 4.3.1 The Generating Facility may endanger GWP personnel, other persons or property; or
- 4.3.2 The continued operation of Generating Facility may endanger the integrity of GWP electric system,
- GWP shall have the right to disconnect the Generating Facility from GWP's electric system. The Generating Facility shall remain disconnected until such time as GWP is satisfied that the condition(s) referenced in 4.3.1 or 4.3.2 of this Section 4.3 has been corrected.

5. INTERCONNECTION

- 5.1 Customer-Generator shall deliver the as-available energy to GWP at GWP's meter, or meters in the case of Customer-Generators that are Aggregate Net Energy Metering Customers.
- 5.2 Customer-Generator shall pay for designing, installing, operating, and maintaining the Generating Facility in accordance with all applicable laws and regulations and shall comply with GWP's Appendix A, which is attached hereto and incorporated herein.
- 5.3 Customer-Generator shall not commence parallel operation of the Generating Facility until written approval of the interconnection facilities has been given by GWP (the "Initial Operation Date"). Such approval shall not be unreasonably withheld. GWP shall have the right to have representatives present at the initial testing of Customer-Generator's protective apparatus.

6. MAINTENANCE AND PERMITS

- 6.1 Customer-Generator shall obtain any governmental authorizations and permits required for the construction and operation of the Generating Facility and interconnection facilities and shall maintain all facilities in a safe and prudent manner and in conformance with all applicable laws and regulations including, but not limited to, Appendix A.
- 6.2 Customer-Generator shall reimburse GWP and the City of Glendale for any and all losses, damages, claims, penalties, or liability it incurs as a result of Customer-Generator's failure to obtain or maintain any governmental authorizations and permits required for construction and operation of Customer-Generator's Generating Facility.

7. ACCESS TO PREMISES

GWP may enter Customer-Generator's premises:

- (a) to inspect, at all reasonable hours, Customer-Generator's protective devices and read or test meter(s); and
- (b) to disconnect, without notice, the interconnection facilities if, in GWP's opinion, a hazardous condition exists and such immediate action is necessary to protect persons, or GWP's facilities, or property of others from damage or interference caused by Customer-Generator's Generating Facility, or lack of properly operating protective devices.

8. INDEMNITY AND LIABILITY

- 8.1 To the full extent permitted by law, Customer-Generator shall defend, hold harmless, and indemnify the City of Glendale and its directors, officers, employees, and agents against and from any and all loss, liability, damage, claim, cost, charge, demand, or expense (including any direct, indirect, or consequential loss, liability, damage, claim, cost, charge, demand, or expense, including attorney's fees) for injury or death to persons including employees of either Party and damage to property including property of either Party arising out of or in connection with (a) the engineering, design, construction, maintenance, repair, operation, supervision, inspection, testing, protection or ownership of, or (b) the making of replacements, additions, betterments to, or reconstruction of, the Customer-

Generator's Generating Facility. This indemnity shall apply notwithstanding the active or passive negligence of the indemnitee. However, the City of Glendale shall not be indemnified hereunder to the extent that the loss, liability, damage, claim, cost, charge, demand, or expense results from its sole negligence or willful misconduct.

8.2 The provisions of this Section 8 shall not be construed to relieve any insurer of its obligations to pay any insurance claims in accordance with provisions of any valid insurance policy.

9. GOVERNING LAW

This Agreement shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California.

10. SEVERABILITY. If any portion of this Agreement is deemed to be in violation of applicable law, that portion of the Agreement shall be severed and the remainder of the Agreement shall continue in full force and effect unless the Agreement is terminated as provided herein.

11. AMENDMENT, MODIFICATION AND WAIVER

Except as otherwise specified with respect to changes in State Law or in the Resolution, any amendments or modifications to this Agreement shall be in writing and agreed to by both Parties. The failure of any Party at any time or times to require performance of any provision hereof shall in no manner affect the right at a later time to enforce the same. No waiver by any Party of the breach of any term of covenant contained in this Agreement, whether by conduct or otherwise, shall be deemed to be construed as a further or continuing waiver of any such breach or waiver of the breach of any other term or covenant unless such waiver is in writing.

12. ASSIGNMENT

This Agreement does not give any rights or benefits to anyone, other than to City of Glendale and Customer-Generator. Without GWP's prior written authorization Customer-Generator shall not do any one or more of the following assign or transfer a right or interest in this Agreement; or delegate any duty owed under this Agreement. Customer-Generator shall give notice to GWP of any change of ownership of the Property. Customer-Generators that are Aggregate Net Energy Metering Customers shall give GWP notice of any change in ownership of any of the Properties subject to the aggregate Net Energy Metering arrangement, or any change that renders the Customer-Generator ineligible for Aggregate Net Energy Metering under State Law. Unless otherwise approved by GWP, or as otherwise required by law, upon sale or transfer of ownership of the Property (or, for Aggregate Net Energy Metering upon transfer of any of the Properties such that Customer-Generator is no longer eligible for Aggregate Net Energy Metering), this Agreement shall be terminated.

13. APPENDICES

The Agreement includes the following Appendices, which are incorporated by reference:

Appendix A: GWP's Interconnection Standards (attached hereto).

Appendix B: NEM Program Resolution (as may be amended from time to time; available at www.glendalewaterandpower.com)

Appendix C: Additional Address and Meter Information for Aggregate Net Energy Metering Participants (where applicable)

14. NOTICES

Except as otherwise provided in Section 2 of this Agreement, all written Notices shall be given in writing, either by personal delivery, or by U.S. Mail, postage pre-paid, or by Certified Mail, Return Receipt Requested. Notices shall be deemed given on the date of personal delivery or three business days after mailing, if sent by mail. Notices shall be directed as follows:

Glendale Water and Power
141 North Glendale Avenue, Level 4
Glendale, California 91206-446
Attn: Net Energy Metering Program

CUSTOMER-GENERATOR:

Name _____
Address: _____
City: Glendale, CA _____

Customer-Generator's notices to GWP pursuant to this Section 13 shall reference the PVID Number (where applicable) set forth in Section 1.1, the Generating Facility Address, and the Customer-Generator's address.

15. TERM OF AGREEMENT

This Agreement shall be in effect when signed by the Customer-Generator and GWP and shall remain in effect thereafter month-to-month unless terminated by either Party on thirty (30) days' prior written notice in accordance with Section 14.

16. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives.

(CUSTOMER-GENERATOR)

CITY OF GLENDALE

By: _____

By: _____

Name: _____

Name: Stephen M. Zurn

Title: _____

Title: General Manager, Glendale Water & Power

Date: _____

Date: _____

Appendix A

Glendale Water & Power Interconnection Standards

Appendix B

**City of Glendale Net Energy Metering Resolution
Incorporated by reference; available on the Glendale Water & Power
website at:
www.glendalewaterandpower.com**

Appendix C

Additional Address and Meter Information for Aggregate Net Energy Metering Participants

glendale
california
CITY OF GLENDALE, CALIFORNIA
REPORT TO THE:

Joint ☐ City Council ☒ Housing Authority ☐ Successor Agency ☐ Oversight Board ☐

April 28, 2015

AGENDA ITEM

Aggregate Net Energy Metering

- 1) Ordinance for Introduction adding Section 13.44.250 to the Glendale Municipal Code to allow Aggregated Net Energy Metering
- 2) Resolution of the Council of the City of Glendale Amending and Superseding City of Glendale Resolution No. 13-233 Pertaining to Net Surplus Electricity Compensation Payable to Net Surplus Customer Generators Participating in Glendale Water & Power's Net Energy Metering Program in Order to Authorize Aggregate Net Energy Metering
- 3) Motion Adopting Standard Form Interconnection Agreement for Net Energy Metering

COUNCIL ACTION

Public Hearing ☐ Ordinance ☐ Consent Calendar ☐ Action Item ☒ Report Only ☐

Approved for April 28, 2015 calendar

ADMINISTRATIVE ACTION

Submitted by:
Stephen M. Zurn, General Manager - GWP

Ramon Z. Abueg, Chief Assistant General Manager

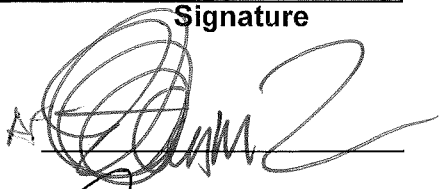
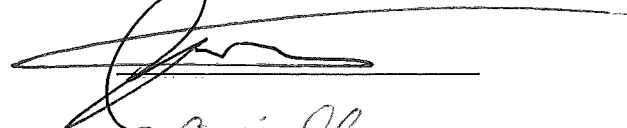



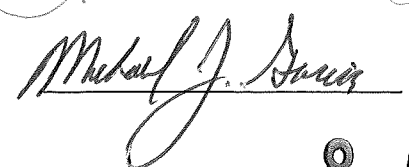
Prepared by:
Christine A. Godinez, Principal Assistant City Attorney

Approved by:
Scott Ochoa, City Manager

Reviewed by:
Yasmin K. Beers, Assistant City Manager

Michael J. Garcia, City Attorney

Signature

RECOMMENDATION

It is recommended that the City Council take three actions to implement aggregate net energy metering for qualifying customers participating in Glendale Water & Power's Net Energy Metering program. First, that the City Council introduce an ordinance to implement aggregated net energy metering. If adopted, the ordinance would allow net energy metering customers meeting specified state law requirements to aggregate the electrical load of multiple meters on the customer's property or the customer's adjoining property. Second, that the City Council adopt a resolution amending and superseding Resolution 13-233, which sets forth the City's Net Energy Metering rate schedule to add provisions pertaining to aggregate Net Energy Metering. Finally, it recommended that the City Council adopt a motion to approve a revised Standard Form Interconnection Agreement for Net Energy Metering to implement aggregate net energy metering.

BACKGROUND/ANALYSIS

Net Energy Metering:

As required by California law, (Public Utilities Code section 2827), the City of Glendale offers a net energy metering (NEM) program for renewable energy customers (primarily solar) within the City of Glendale. Participants in the NEM program generate renewable energy on their property (e.g., solar energy) and use a portion of that energy for their onsite electricity needs. If the customer's renewable facility generates more power than the customer can use onsite during a one-year period, then that customer may annually elect to receive either payment or a credit (i.e., kWh) on his/her utility bill for the excess energy that he or she generates. The City of Glendale is entitled to the Renewable Energy Credits associated with the excess energy that it purchases, for purposes of complying with the State's Renewable Portfolio Standard requirements.

The NEM program is available within GWP's territory on a first-come, first-served basis until the total combined rated generating capacity of renewable electrical generating facilities reaches five (5) percent of GWP's aggregate customer peak demand.

Aggregate Net Energy Metering:

Aggregate net energy metering (Aggregate NEM) means that a customer may apply the electrical generation from the customer's onsite renewable facility to more than one energy meter, for purposes of the NEM program.

Specifically, Public Utilities Code section 2827 allows customers to aggregate, for NEM purposes, the electrical load from more than one meter under the following circumstances:

- (1) Where the meters are located on the property where the renewable generation facility is located; or
- (2) Where the meters are located on the property where the renewable generation facility is located as well as on adjacent or contiguous property that is solely owned, leased or rented by the eligible customer-generator; and
- (3) As long as the renewable electrical generation facility, or combination of facilities, has a total generating capacity of 1 megawatt or less.

If a customer chooses to aggregate the load from multiple meters under the NEM program, Public Utilities Code section 2827 specifies that the customer is "permanently ineligible" to receive compensation or a credit for the net surplus energy at the end of the year. However, over the course of an annual period, the customer may allocate the renewable energy across multiple meters. State law provides that the aggregated energy usage is to be allocated to each

of the meters based upon the percentage of the customer's load served by that meter. The proportionate allocation to each meter is computed each billing period. The customer remains responsible for paying service charges to the utility for the cost of providing billing services to the meters.

Under California's NEM law, City Council approval is required in order for GWP to allow Aggregate NEM. On December 16, 2014, the City Council approved Aggregate NEM in Glendale and directed City staff to prepare for the City Council's consideration an ordinance and such other documentation as may be required to implement the Aggregate NEM program. The city's municipal code, NEM rate resolution, and standard form Net Energy Metering Agreement must also be amended in order to allow aggregate NEM.

Ordinance Amending Municipal Code

Presently, the Glendale Municipal Code permits NEM, but does not permit Aggregate NEM. The proposed ordinance would add Section 13.44.250 to the Glendale Municipal Code to permit Aggregate NEM.

Resolution

On December 17, 2013, the City Council adopted Resolution No. 13-233 Setting Forth Rates for Net Surplus Electricity Compensation Payable to Net Surplus Customer Generators Participating in Glendale Water & Power's Net Energy Metering Program. (Attachment 1 to this Report). It is proposed that the City Council adopt a Resolution to amend and supersede Resolution 13-233. The amended resolution does not change the rates payable to NEM customers, but adds references to Aggregate NEM where appropriate.

Standard Form Agreement

In accordance with the state NEM law, the City has a standard form interconnection agreement that NEM customers must sign in order to participate in the NEM program. The City's Standard form NEM Interconnection Agreement has been updated and revised to implement Aggregate NEM. It is recommended that the City Council move to approve the revised Standard Form Interconnection Agreement for Net Energy Metering from Eligible Renewable Electric Generating Facilities, attached to the proposed motion as Exhibit A.

FISCAL IMPACT

GWP staff anticipates that allowing Aggregate NEM would result in a minor increase in the time required to process the NEM account, because the energy usage must be manually allocated to each of the benefitting accounts. Based upon a time and motion study, GWP estimates that it would take approximately 27 minutes per account to perform this function at a cost of \$10.89 per aggregate NEM customer. NEM customers will receive an aggregate bill but the meter charges for each account will still apply. The aggregated energy bill will be less based on the energy produced from the local generation. This energy displaces the energy that GWP would otherwise produce or purchase. At the end of each year, any surplus energy from the aggregate NEM customer is retained by GWP.

It should be noted that at this time, very few customers have requested Aggregate NEM. The expected costs of Aggregated NEM and cost impacts to non NEM customers may change based on the number of customers participating in NEM aggregation, and the load profiles of such customers. If, in practice, the costs of aggregated NEM prove to be more significant than expected, the City Council may elect to discontinue Aggregate NEM. California law allows the City Council to reconsider its decision to allow or disallow Aggregate NEM in a subsequent public proceeding.

ALTERNATIVES

Alternative 1: City Council may introduce the Ordinance and adopt the resolution and motion as recommended.

Alternative 2: The City Council may decline to introduce the Ordinance and decline to adopt the resolution and motion, in which case the City Council would not authorize Aggregate NEM in the GWP service territory. If the City Council does so, then the net load from each meter will continue to be separately calculated under the NEM program.

Alternative 3: The City Council may consider any other alternative not proposed by staff.

EXHIBITS

1. Resolution 13-233 (December 17, 2013)
2. Current Standard Form NEM Agreement

RESOLUTION NO. 13-233

**RESOLUTION OF THE CITY OF GLENDALE SETTING FORTH RATES FOR NET
SURPLUS ELECTRICITY COMPENSATION PAYABLE TO NET SURPLUS
CUSTOMER GENERATORS PARTICIPATING IN GLENDALE WATER & POWER'S
NET ENERGY METERING PROGRAM**

WHEREAS, the City of Glendale, through the Glendale Water & Power Division ("GWP"), operates a municipal utility for the distribution of electrical energy to the citizens of the City of Glendale; and

WHEREAS, consistent with the requirements of California Public Utilities Code section 2827, GWP offers a net energy metering program to eligible customer-generators as defined by California Public Utilities Code Section 2827(b)(4); and

WHEREAS, California Public Utilities Code Section 2827 requires that, at the end of each twelve-month period, participants in the City of Glendale's net energy metering program that generate more energy than they use onsite ("Net Generators") must be offered either (i) compensation for the excess energy generated during the twelve-month period; or (ii) a credit against future electric bills; and

WHEREAS, prior to September 13, 2013, the effective date of the City of Glendale's 2013 Electric Rate Ordinance, the Glendale Municipal Code specified that the fuel adjustment charge rate was the rate of payment for the surplus energy purchased from Net Generators; and

WHEREAS, the City of Glendale must adopt a new rate to compensate those Net Generators that elect compensation for their annual excess generation during calendar year 2013, and for future calendar years; and

WHEREAS, California Public Utilities Code Section 2827 requires that the rate of compensation must be just and reasonable compensation for the value of the net surplus electricity, while leaving other ratepayers unaffected; and

WHEREAS, the City of Glendale may acquire the Renewable Energy Credits and environmental attributes associated with the renewable energy it purchases from Net Generators, which may assist the City of Glendale with its Renewable Portfolio Standard compliance obligations; and

WHEREAS, upon enrollment in the Net Energy Metering Program, Net Energy Metering Customers have the option of either retaining the renewable and environmental attributes associated with their renewable energy generation, or granting all renewable and environmental attributes associated with the customer's renewable

energy generation facility to the City of Glendale in exchange for consideration paid by the City of Glendale to the Net Energy Metering customer; and

WHEREAS, having considered the reports and testimony regarding the proposed Net Energy Metering Rate, the Council of the City of Glendale has determined that the Feed in Tariff Rate formula set forth in Section 13.44.240 of the Glendale Municipal Code, 1995, minus the Renewable Energy Credit component of that formula, constitutes just and reasonable compensation to Net Generators for the excess renewable energy supplied to the City of Glendale, and that proper application of such rate formula would leave other ratepayers unaffected.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE:

Section 1. Notice of the public meeting at which this Resolution was considered was properly given, and all oral and written presentations made to and heard by the City Council were properly considered.

Section 2. The Council hereby adopts the Net Energy Metering Rate Schedule as set forth in Exhibit A, attached hereto and incorporated herein by reference.

Section 3. The Net Energy Metering Rate Schedule that is hereby adopted provides just and reasonable compensation for the value of net surplus renewable electricity purchased by the City of Glendale from those Net Generators participating in the City of Glendale's Net Energy Metering Program that elect to receive compensation for their annual net generation supplied to the City of Glendale, and such rates will leave other ratepayers unaffected.

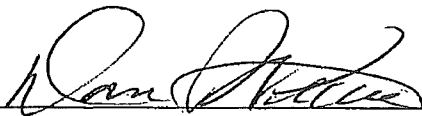
Section 4. The Net Energy Metering Rate Schedule attached hereto as Exhibit A shall apply to the net surplus energy generation of Net Generators during calendar year 2013 and in subsequent calendar years.

Section 5. Compliance with California Environmental Quality Act. The City Council finds and determines that this Ordinance is not subject to the California Environmental Quality Act ("CEQA") and, therefore, an environmental review is not required pursuant to Section 21080(b)(8) of the California Public Resources Code and Sections 15273(a) and 15061(b)(3) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3 because CEQA does not apply to the establishment, modification, restructuring, or approval of rates and other charges by public agencies for purposes such as those set forth herein.

Section 6. Severability. If any Section, subsection, clause, phrase, sentence or word of this Resolution or the application thereof to any person or circumstance is for

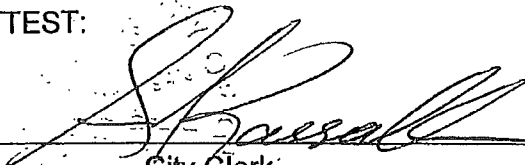
any reason held invalid, the validity of the remainder of the Resolution or the application of such provision to other persons or circumstances shall not be affected thereby and shall not affect any other Section, subsection, clause, phrase, sentence or word of the Ordinance that can be given effect without the invalid Section, subsection, clause, phrase, sentence or word of this Resolution. The City Council hereby declares that it would have passed this Resolution and each Section, subsection, clause, phrase, sentence and word hereof, irrespective of the fact that one or more Sections, subsections, clauses, phrases, sentences or words or the application hereof to any person or circumstance is held invalid.

Adopted by the Council of the City of Glendale on the 17 th day of December, 2013.

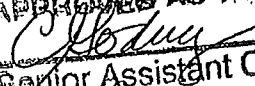


Mayor

ATTEST:



City Clerk

APPROVED AS TO FORM

Senior Assistant City Attorney
Date December 9, 2013

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF GLENDALE)

I, ARDASHES KASSAKHIAN, City Clerk of the City of Glendale, certify that Ordinance No. 13-233 was passed by the Council of the City of Glendale, California, at a regular meeting held on the 17 th day of December, 2013, and that same was passed by the following vote:

Ayes: Friedman, Najarian, Quintero, Sinanyan, Weaver

Noes: None

Absent: None

Abstain: None

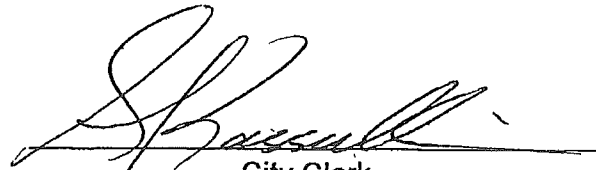

City Clerk

EXHIBIT A

NET ENERGY METERING RATE SCHEDULE

I. Applicability.

This rate applies to those eligible customer-generators (as defined in Section 2827 of the California Public Utilities Code, as may be amended from time to time) that are participants in the City of Glendale Water & Power ("GWP") Net Energy Metering Program ("NEM Program") and have executed the applicable Standard Contract.

II. Territory.

Within the service area of GWP.

III. Rates:

As set forth in the Chapter 13 of the Glendale Municipal Code, all rates charged under this schedule will be in accordance with the Eligible Customer-Generator's otherwise applicable rate schedule in effect from time to time, on a net energy metering basis. An Eligible Customer-Generator is responsible for all charges applicable to its otherwise applicable rate schedule as set forth in the Glendale Municipal Code, 1995, including but not limited to the energy cost adjustment charge, the regulatory adjustment charge, the revenue decoupling charge, public benefit charges and utility user taxes.

IV. Annualized Payment/ Settlement Method

a) Residential Electric Service (L-1), Small Commercial Electric Service (L-2) and Small Commercial Demand Service (LD-2) Customers

- 1) The annual Net Energy Metering calculation shall be made by measuring the difference between the energy supplied to the customer and the energy generated by the customer and fed back to GWP's grid over a Twelve-Month Period. At the end of each Twelve-Month Period, and at each anniversary date thereafter, GWP shall determine if the customer was a net consumer or a net generator of energy during the Twelve-Month Period. In the event that the energy supplied by GWP during the Twelve-Month Period exceeds the energy generated by the customer during that same period, the customer is a net energy consumer.
- 2) If a customer is a net energy consumer, GWP will bill the customer for the net energy consumed during the Twelve-Month Period

based on the customer's rate schedule and customer shall pay for such net energy consumed, and other applicable charges in accordance with the customer monthly billing statement and the Glendale Municipal Code, 1995.

- 3) L-1 and LD-2 Customers shall elect whether they want to be billed for net energy consumption under their regular billing cycle, or on an annual basis. Where a Customer does not make an election, the Customer will be billed for net energy consumption annually.

b) Commercial Service (PC-1) Customers

- 1) The annualized Net Energy Metering calculation shall be made by measuring the difference between the energy supplied to the customer and the energy generated by the customer and fed back to GWP's grid over a Twelve-Month Period. Additionally, at the end of each billing period, GWP shall determine if the customer was a net consumer or a net generator of energy. In the event the energy supplied by GWP to the customer during the preceding billing period exceeds the energy generated by the customer during the same billing period, the customer is a net energy consumer.
- 2) If the customer is a net energy consumer, the utility will bill the customer for the net energy consumed during such billing period as prescribed in the customer's rate schedule for the net kilowatt hours supplied by GWP, and other applicable charges in accordance with the customer monthly billing statement and the Glendale Municipal Code, 1995.

c) All Eligible Customer-Generators

- 1) GWP shall provide all customers with Net Energy Metering consumption and generation information on a monthly basis. Such monthly update shall include the current accrued balance owed to GWP for Net Energy Metering charges, or current accrued credits for Net Energy Metering generation, whichever applies.
- 2) If the energy generated exceeds the energy consumed by the customer, the customer is a net energy generator. If the customer is a net generator of energy over a normal billing period within a year, any excess kilowatt-hours generated during the billing period shall be carried forward as a monetary value to the following billing

period until the end of the customer's Twelve-Month Period. Kilowatt hour credits for net energy generation during any billing period shall be calculated in accordance with Section 2827 of the California Public Utilities Code, as may be amended from time to time.

- 3) At the end of each Twelve-Month Period, GWP shall retain any Net Surplus Energy generated by the Net Surplus Customer Generator, including any associated environmental attributes or renewable energy credits (RECs), provided, however, that where the customer, upon enrollment for the NEM Program, elected to retain the green energy rights and RECs associated with the customer's renewable energy generation in lieu of receiving payment for assigning the green energy rights to GWP, the customer shall retain the environmental attributes and RECs associated with the customer's Net Surplus Energy. Except as otherwise provided in Subsection 7 herein or as required by law, no payment will be made to any customer for the excess energy delivered to GWP's grid unless the customer affirmatively elects to receive Net Surplus Energy Compensation for that excess energy by electing compensation as set forth in Subsection 4 herein.
- 4) Customer may, upon GWP's timely receipt of the customer's written affirmative election, be eligible to receive at the end of a Twelve-Month Period either (i) Net Surplus Energy Compensation for Net Surplus Energy or (ii) to roll over the Net Surplus Energy as a kWh credit into the next Twelve-Month Period. The Customer's Net Surplus Energy Compensation shall be calculated over a Twelve-Month Period beginning with the customer's regularly scheduled meter read date in January following receipt of a timely filed affirmative election and concluding as of the customer's regularly scheduled meter read date the following December. A written affirmative election may be delivered in person or transmitted via U.S. Mail to GWP at:

Glendale Water & Power
Attn: Solar Solutions Program
141 N. Glendale Avenue, Level 2
Glendale, CA 91206

A written affirmative election will be deemed "timely" if it is received within thirty (30) days of the date of GWP's notice to the customer regarding the customer's right to make an election regarding Net Surplus Energy Compensation. The thirty day deadline for receipt of the affirmative election will be calculated as follows:

Method of Transmission:

In person delivery
U.S. Mail

Deadline:

Date of receipt
Date postmarked

An affirmative election to receive Net Surplus Energy Compensation is effective for one Twelve-Month Period only. A new written election must be timely provided to GWP for each Twelve-Month Period in order to receive Net Surplus Energy Compensation for such Twelve-Month Period.

- 5) **Rate.** Where the customer has timely made an affirmative election to be compensated for such Net Surplus Energy, the electricity provided from the customer to GWP shall be priced in accordance with the applicable Feed-in-Tariff rate determined in accordance with the rate formula set forth in Section 13.44.240 of the Glendale Municipal Code, 1995, as may be amended from time to time; provided, however, that (i) payment to the Net Surplus Generator shall not include the Renewable Energy Credit component of the Feed-in-Tariff rate; and (ii) payment shall be made on a \$/kWh basis instead of on a \$/MWh basis.
- 6) **Net Surplus Energy generation in calendar year 2013:** where the customer does not make an affirmative election for Net Surplus Energy during calendar year 2013, or fails to make a timely election to be compensated for such Net Surplus Energy, the Net Surplus Energy shall be carried forward as a kilowatt hour credit for the customer's next Twelve-Month Period.
- 7) **Net Surplus Energy generation in calendar year 2014 and in subsequent calendar years:** At the end of each Twelve-Month Period, unless the customer has timely made an affirmative election to receive Net Surplus Compensation or a kWh credit for the Net Surplus Energy, except as required by law, the customer's monetary value shall be reset to zero for the subsequent Twelve-

Month Period. In addition, except as required by law, no payment will be made to any customer for the Net Surplus Energy delivered to GWP's grid, unless the customer timely makes an affirmative election to receive Net Surplus Energy Compensation for the Net Surplus Energy, as provided in subsection 4.

V. Metering

The Net Energy Metering account must be metered using a Required Meter. The customer is responsible for all costs for the provisioning and installation of the Required Meter.

VI. Definitions

"Eligible Renewable Electrical Generation Facility" means a facility that generates electricity from a renewable source listed in paragraph (1) of subdivision (a) of Section 25741 of the California Public Resources Code, as may be amended from time to time.

"Net Energy Metering" means measuring the difference between the energy supplied through the electric grid to the customer and the energy generated by an Eligible Customer-Generator and fed back to the electric grid over a Twelve-Month Period, as described in California Public Utilities Code Section 2827, as may be amended from time to time.

"Net Surplus Customer Generator" means an Eligible Customer-Generator that generates more energy in a Twelve-Month Period than is supplied by GWP to the Eligible Customer-Generator during the same Twelve-Month Period.

"Net Surplus Energy" means all energy generated by an Eligible Customer-Generator measured in kilowatt-hours over a Twelve-Month Period that exceeds the amount of energy consumed by that Eligible Customer-Generator.

"Net Surplus Energy Compensation" mean monetary compensation, at a per kilowatt-hour rate, offered by GWP to the Net Surplus Customer Generator for Net Surplus Energy, in accordance with this Schedule.

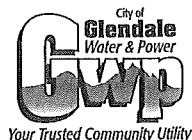
"Required Meter" means a single revenue-grade interval meter capable of registering the flow of energy in two directions.

"Standard Contract" means that standard contract entitled "Photovoltaic Interconnection Agreement for Net Energy Metering" and available to Eligible Customer Generators and offered in accordance with California Public Utilities Code Section 2827.

"Twelve Month Period" means the Twelve-Month Period commencing with the customer's regularly scheduled meter read date in January and concluding as of the Customer's regularly scheduled meter read date the following December. The customer's first such period will commence as of the date of interconnection and conclude as of the regularly scheduled meter read date the following December, and may be less than twelve months.

VII. Program Cap:

The Net Energy Metering Program shall remain open to eligible customers on a first-come, first-served basis and in accordance with the requirements of Section 2827 of the California Public Utilities Code. The City of Glendale reserves the right to close the program to new customers when the total contract generating capacity for qualifying Net Energy Metering customers meets the required total rated generating capacity percentage of GWP's aggregate peak customer demand, as required by the California Public Utilities Code section 2827(c)(1), as may be amended from time to time.



PHOTOVOLTAIC INTERCONNECTION AGREEMENT
FOR
NET ENERGY METERING

_____("Customer-Generator"), and Glendale Water & Power referred to collectively as "Parties" and individually as "Party", agree as follows:

1. SOLAR-ELECTRIC GENERATING FACILITY:

- 1.1 PVID Number: _____
(Glendale Water & Power Use Only)
- 1.2 PV Array Rating: _____(EPBB/PBI CSI Rating kW)
- 1.3 Electric Meter Number(s): _____
(Electric meter(s) that will be connected to the photovoltaic system)
- 1.4 Address: _____

- 1.5 Facility will be ready for operation on or about _____(date)
- 1.6 Location of *Glendale Water & Power* Substation and Circuit (For GWP Use Only):

- 1.7 Operating Option
Customer-Generator has elected to operate its solar-electric generating facility in parallel with Glendale Water & Power's facilities. The solar-electric generating facility is intended primarily to offset part or all of the Customer-Generator's own electrical requirements.

2. PAYMENT FOR NET ENERGY

- 2.1 For all Customer-Owned-Generation rates, GWP will determine for each billing period the energy generated and the energy used. In any billing period where the energy used exceeds the energy generated on the Customer-Generator's premise, the Customer-Generator will be billed for the net energy used. In the event energy generated by the facility exceeds the energy used on the Customer-Generator's premise during any billing period, the amount of the net excess energy will be credited against the Customer-Generator's energy usage in the next billing period. At the end of each 12-month period, where the electricity generated by the eligible customer-generator during the 12-month period exceeds the electricity supplied by the electric service provider during that same period, the eligible customer-generator is a net electricity producer. The Customer-Generator may choose compensation for surplus electricity and elect whether that compensation is kilowatt-hour credit against future

Rev. 12/03/12

electricity consumption or is a financial payment. The Customer-Generator does not need to take any notification action if compensation is a credit to future electricity purchases. Customer-Generator shall notify GWP if they choose to receive financial reimbursement for net surplus generation. GWP reserves the right to pay the Customer-Generator for such excess kilowatt hours at the current fuel adjustment charge rate, or as otherwise approved by City Council.

- Notification should be made by letter as follows:
 - Addressed and mailed or hand delivered to GWP Customer Service at:
Attention: Customer Service
Glendale Water and Power
141 N. Glendale Avenue, Level 2
Glendale, CA 91206-4496
 - Indicate the Account number, Meter number, and Interconnection Agreement number
 - Include customer of record's name and signature
 - The 12-month annual period will begin at the next meter read date for the affected meter
 - At the end of the 12-month period, GWP will compensate the Customer-Generator based on the written election 12 months earlier.

2.2 Customer-Generator shall pay any amount owing for electric service provided by Glendale *Water & Power* in accordance with applicable rate schedules. Nothing in this Section 2.2 shall limit Glendale *Water & Power's* rights under applicable rate schedules.

3. GREEN POWER RIGHTS

3.1 Customer Generator understands that by accepting the additional green power incentive Customer Generator is obligated to share the green label for all power generated by the solar generating facility for the life of the system with Glendale *Water & Power* in either one of the following ways: 1) Customer Generator retains the right to claim the green power generated by the solar generating facility as consumed on the premises for promotional, LEED, and/or other green building certification purposes; or 2) Customer Generator gives up any right to sell the green label associated with the power generated by the solar generating facility to any third party, and grants Glendale *Water & Power* the sole right to claim the green power rights for renewable portfolio standard and other reporting purposes, including all federal, state, and local regulatory bodies.

4. INTERRUPTION OR REDUCTION OF DELIVERIES

- 4.1 GWP shall not be obligated to accept or pay for, and may require Customer-Generator to interrupt or reduce, deliveries of as-available energy:
 - 4.1.1 When necessary in order to construct, install, maintain, repair, replace, remove, investigate, or inspect any of its equipment or any part of its system; or
 - 4.1.2 If GWP determines that curtailment, interruption, or reduction is necessary because of emergencies, forced outages, force majeure, or compliance with prudent electrical practices; or

- 4.1.3 When the continued operation of the Generating Facility may endanger the integrity of *GWP's* electric system.
- 4.2 Whenever possible, *GWP* shall give Customer-Generator reasonable notice of the possibility that interruption or reduction of deliveries may be required.
- 4.3 Notwithstanding any other provisions of this Agreement, if at any time *Glendale Water and Power* determines that either:
 - 4.3.1 The Generating Facility may endanger *GWP* personnel, other persons or property; or
 - 4.3.2 The continued operation of Generating Facility may endanger the integrity of *GWP* electric system, shall have the right to disconnect the Generating Facility from *GWP's* electric system. The Generating Facility shall remain disconnected until such time as *GWP* is satisfied that the condition(s) referenced in 4.3.1 or 4.3.2 of this Section 4.3 has been corrected.

5. INTERCONNECTION

- 5.1 Customer-Generator shall deliver the as-available energy to *Glendale Water & Power* at the utility's meter.
- 5.2 Customer-Generator shall pay for designing, installing, operating, and maintaining the solar-electric generating facility in accordance with all applicable laws and regulations and shall comply with *Glendale Water & Power's* Appendix A, which is attached hereto and incorporated herein.
- 5.3 Customer-Generator shall not commence parallel operation of the generator facility until written approval of the interconnection facilities has been given by *GWP* (the "Initial Operation Date"). Such approval shall not be unreasonably withheld. *GWP* shall have the right to have representatives present at the initial testing of Customer-Generator's protective apparatus.

6. MAINTENANCE AND PERMITS

- 6.1 Customer-Generator shall obtain any governmental authorizations and permits required for the construction and operation of the Generating Facility and interconnection facilities and shall maintain all facilities in a safe and prudent manner and in conformance with all applicable laws and regulations including, but not limited to, Appendix A.
- 6.2 Customer-Generator shall reimburse City for any and all losses, damages, claims, penalties, or liability it incurs as a result of Customer-Generator's failure to obtain or maintain any governmental authorizations and permits required for construction and operation of Customer-Generator's Generating Facility.

7. ACCESS TO PREMISES

GWP may enter Customer-Generator's premises:

- (a) to inspect, at all reasonable hours, Customer-Generator's protective devices and read or test meter; and
- (b) to disconnect, without notice, the interconnection facilities if, in *GWP's* opinion, a hazardous condition exists and such immediate action is necessary to protect persons, or *GWP's* facilities, or property of others from damage or interference

caused by Customer-Generator's Generating Facility, or lack of properly operating protective devices.

8. INDEMNITY AND LIABILITY

8.1 To the full extent permitted by law, Customer-Generator shall defend, hold harmless, and indemnify the City and its directors, officers, employees, and agents against and from any and all loss, liability, damage, claim, cost, charge, demand, or expense (including any direct, indirect, or consequential loss, liability, damage, claim, cost, charge, demand, or expense, including attorney's fees) for injury or death to persons including employees of either Party and damage to property including property of either Party arising out of or in connection with (a) the engineering, design, construction, maintenance, repair, operation, supervision, inspection, testing, protection or ownership of, or (b) the making of replacements, additions, betterments to, or reconstruction of, the Customer-Generator's Generating Facility. This indemnity shall apply notwithstanding the active or passive negligence of the indemnitee. However, the City shall not be indemnified hereunder to the extent that the loss, liability, damage, claim, cost, charge, demand, or expense results from its sole negligence or willful misconduct.

8.2 The provisions of this Section 8 shall not be construed to relieve any insurer of its obligations to pay any insurance claims in accordance with provisions of any valid insurance policy.

9. GOVERNING LAW

This Agreement shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California.

Severability. If any portion of this Agreement is deemed to be in violation of applicable law, that portion of the Agreement shall be severed and the remainder of the Agreement shall continue in full force and effect unless the Agreement is terminated as provided herein.

10. AMENDMENT, MODIFICATION AND WAIVER

Any amendments or modifications to this Agreement shall be in writing and agreed to by both Parties. The failure of any Party at any time or times to require performance of any provision hereof shall in no manner affect the right at a later time to enforce the same. No waiver by any Party of the breach of any term of covenant contained in this Agreement, whether by conduct or otherwise, shall be deemed to be construed as a further or continuing waiver of any such breach or waiver of the breach of any other term or covenant unless such waiver is in writing.

11. ASSIGNMENT

This Agreement does not give any rights or benefits to anyone, other than to City and Customer-Generator. Without City's prior written authorization Customer-Generator shall not do any one or more of the following assign or transfer a right or interest in this Agreement; or delegate any duty owed under this Agreement. Customer-Generator shall give notice to the City of any change of ownership of the Property. Unless otherwise approved by the City, upon sale or transfer of ownership of the Property, this Agreement shall be terminated.

12. APPENDIX

The Agreement includes the following appendix, which is attached and incorporated by reference: Appendix A: Glendale *Water and Power's* Photovoltaic Interconnection Standards.

13. NOTICES

All written Notices shall be given in writing, either by personal delivery, or by U.S. Mail, postage pre-paid, or by Certified Mail, Return Receipt Requested. Notices shall be deemed given on the date of personal delivery or three business days after mailing, if sent by mail. Notices shall be directed as follows:

Glendale *Water and Power*
141 North Glendale Avenue, Level 2
Glendale, California 91206-4496
Attn: Solar Solutions Program

CUSTOMER-GENERATOR:

Name _____
Address: _____
City: Glendale, CA _____

Customer-Generator's notices to Glendale *Water and Power* pursuant to this Section 14 shall reference the PVID Number set forth in Section 1.1

14. TERM OF AGREEMENT

This Agreement shall be in effect when signed by the Customer-Generator and *GWP* and shall remain in effect thereafter month-to-month unless terminated by either Party on thirty (30) days' prior written notice in accordance with Section 13.

15. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives.

(CUSTOMER-GENERATOR)

City of Glendale

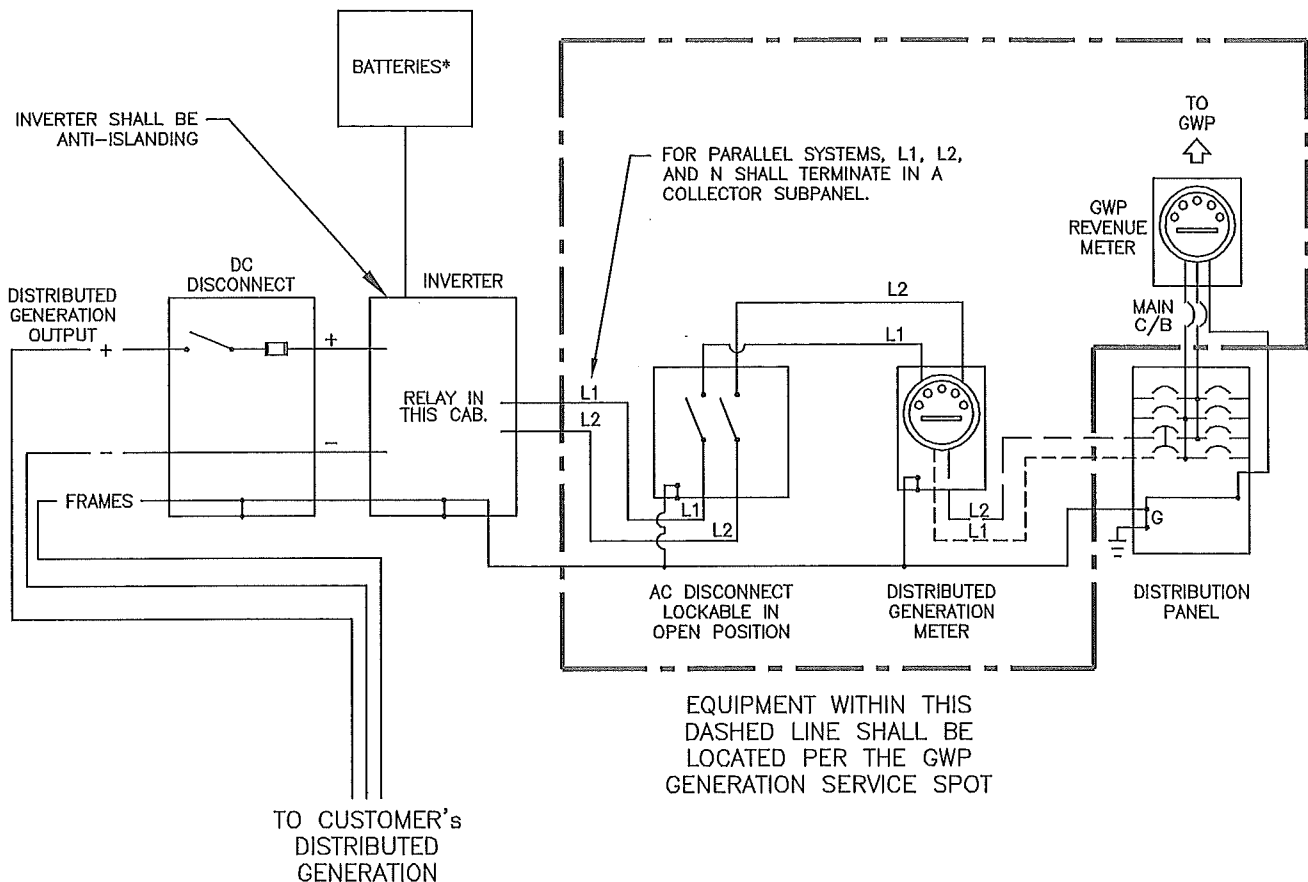
By: _____ By: _____

Name: _____ Name: Stephen M. Zurn

Title: _____ Title: General Manager-Glendale Water & Power

Date: _____ Date: _____

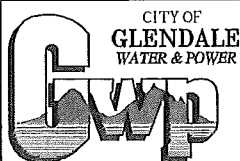
*BATTERY BACKUP SYSTEMS
REQUIRE SPECIAL TESTING BY GWP.



ADDITIONAL REQUIREMENTS:

1. THE DISTRIBUTED GENERATION METER & AC DISCONNECT SHALL BE WITHIN TEN FEET AND IN-LINE-OF-SIGHT OF THE GWP REVENUE METER AND INSTALLED PER THE GWP GENERATION SERVICE SPOT.
2. THE AC DISCONNECT OPERATING HANDLE SHALL BE NO HIGHER THAN 6'-7" FROM THE GRADE WHEN THE HANDLE IS IN THE HIGHEST POSITION.
3. THE AC DISCONNECT OPERATING HANDLE SHALL BE NO LOWER THAN 4'-0" FROM THE GRADE WHEN THE HANDLE IS IN THE LOWEST POSITION.
4. THE DISTRIBUTED GENERATION METER SOCKET SHALL BE INSTALLED BY THE CONTRACTOR AND SHALL BE A RING TYPE SOCKET. THE DISTRIBUTED GENERATION METER IS OWNED AND INSTALLED BY GWP.
5. LABELING OF GENERATION EQUIPMENT SHALL CONFORM TO CITY OF GLENDALE, BUILDING & SAFETY REQUIREMENTS.
6. THE SUM OF THE DISTRIBUTION PANEL MAIN BREAKER AND THE GENERATION BREAKER SHALL NOT EXCEED 120 PERCENT OF THE RATING OF THE DISTRIBUTION PANEL BUSBAR (SEE THE TABLE IN SECTION MTR-100).
7. TAPPING BEFORE THE MAIN DISCONNECT OF THE DISTRIBUTION PANEL IS NOT ALLOWED.

DATE	REV.	DESCRIPTION	BY	CHK'D	APP.
8/6/10	10	CHANGED ENTIRE PAGE TO ACCOMODATE ALL DISTRIBUTED GENERATION POWER SOURCES	CC		



REV. NO.
DATE 5/1/09
DRAWN BY: CC
APPROVED: HRA

CITY OF GLENDALE WATER AND POWER

TYPICAL DISTRIBUTED GENERATION (240V, 1 ϕ)
INTERCONNECTION DIAGRAM

MTR-DWG-009
PAGE 1 of 2

CUSTOMER SERVICE ENGINEERING